

## Section 7 – K-1 Edit Program Report

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### Overview

After receiving the file from the transmitter, we run the files through our K-1 Edit Program. This program checks every field of every record to ensure they conform to the values and format specified in this publication. If any record or field within the K-1 file fails to meet the edit criteria, the K-1 Edit Program produces a failed K-1 Edit Program Report, which is described in detail below.

Since format errors often repeat themselves throughout a file, we limit the total number of errors per file to 100. If we find more than 100 errors, the K-1 Edit Program stops reading the file and produces an error report. Records after the point where the edit program stopped are not edited until the first 100 errors are corrected.

For participants who submit their **K-1 files via CD or diskette**, we request that you use **K-1 TestWare** to ensure the files are error free. Transmitters who submit files via cartridge may also use K-1 TestWare, if the files can be converted to a PC format for testing purposes (see page 5 for more information concerning K-1 TestWare). K-1 TestWare allows you to view all errors contained within the file.

### K-1 Edit Program Report

The explanations below, correspond with the numbers listed on the sample K-1 Edit Report located on page 36.<sup>3</sup>

- ① Using FTB Form 3604, which is required to accompany each CD, disk, or cartridge, we enter the transmitter information into our database. This provides us with a contact person if there is an issue with the file.
- ② **INPUT DATASET** – The dataset is used for internal tracking of Paperless Schedule K-1 files.
- ③ **FILE TYPE** – The transmitter indicates in the Header record if the file is test or production data. “TEST” indicates the file is a test and no data is retained. **Test files do not constitute valid filing.** “PROD” indicates the file is production and after successfully passing the edit program, the data will be used to update the partnership's and LLC's file. The Schedules K-1 are not considered filed until the production file has successfully passed our edits and is posted to the partnership's or LLC's account.

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<sup>3</sup>**NOTE:** The report shows partnerships or LLCs and their related information listed in file order. Processing stops after 100 errors are detected. This can occur before the entire partner's or member's record layouts are processed.

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## K-1 Edit Program Report

(Continued)

- ④ **FILE PASSED/FAILED** – “PASSED” indicates we identified no errors for that partnership or LLC. “FAILED” appears on this line when the edit program identifies an error condition for the specific partnership or LLC. The entire file fails the edit program when just one partnership or LLC is identified with a failed status.
- ⑤ **FILING PERIOD BEGIN** – This date must match the date entered on Form 565, “For calendar year 2004 or fiscal year beginning month, day, and year”.
- ⑥ **FILING PERIOD END** – This date must match the date entered on Forms 565 and 568, “For calendar year 2004 or fiscal year ending month, day, and year”.
- ⑦ **HEADER FEIN** – The FEIN for the individual partnership or LLC, processed by the edit program.
- ⑧ **HEADER NAME 1** – The NAME for the individual partnership or LLC, processed by the edit program.
- ⑨ **HEADER NAME 2** – The DBA for the individual partnership or LLC, processed by the edit program.
- ⑩ **NUMBER OF SCH K-1s** – The number of detail records that “PASSED” the edit process for the individual partnership or LLC. The number of detail records must equal the number of partners or members reported on the Form 565 or Form 568.

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### ERROR DETAIL SECTION

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- ⑪ **HEADER FEIN** – The FEIN for each partnership or LLC included in the file. The FEIN, in combination with the OCCURRENCE NO, will help you identify the specific record within the file that is in error. The report will display all blanks or zeros when the FEIN does not contain a valid entry.
- ⑫ **OCCURRENCE NO** – The Number of the exact Schedule K-1 record that is in error. It is used in combination with PTNRSHPLLC FEIN, PTNR/MBR FEIN, and PTNR/MBR NAME to identify the exact record in error.
- ⑬ **DETAIL FEIN** – The FEIN for each partner or member must be included in the file. The FEIN, NAME, and OCCURENCE NO will help you identify the specific record within the file that is in error.
- ⑭ **DETAIL NAME 1** – The program displays the NAME of each partner or member in order as it edits the file.
- ⑮ **FIELD NO/NAME** – Represents the 4-digit Field Number and abbreviated Field Name for the field with an error.

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## K-1 Edit Program Report

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①⑥ **ERROR MESSAGE** – Some error messages are specific to a field, others (i.e., “NON NUMERIC VALUES IN NUMERIC FIELD”) are more general. Use the information in FIELD VALUE, ERROR MESSAGE and the K-1 Record Layout in this publication to determine the specific problem with a field. See “Commonly Found Errors” on page 35 for more information.

①⑦ **FIELD VALUE** – The value the edit program found in the field. If a blank value is invalid and the edited field contains a blank, the report will display the word BLANK.

①⑧ Lines 11 through 17 are used together to help you determine the specific record within the file that the edit program has identified as having an error. This group will be repeated for all errors found in the file or until the maximum of 100 errors are identified.

①⑨ \*\*\*\*\***RUN ABORTED MORE THAN 100 ERRORS FOUND**\*\*\*\*\*

This message appears when the system identifies more than 100 errors in the file during the edit process. If there are less than 100 errors, this message is not printed. The example on page 36 displays only two errors in order to save space. The actual report will display all 100 errors.

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—END OF JOB REPORT—

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②⑦ **OVERALL TEST RESULTS** – When the edit program encounters one or more errors, the value “FAILED” will display. When there are no errors, the value “PASSED” will display. For multiple partnership or LLC files, the failure of just one of the partnerships or LLCs will result in an overall failure. All the records in a file must be valid for the file to pass.

②⑧ **TOTAL NUMBER OF RECORDS** – The total number of header, detail and trailer records read in the file. Processing stops when the edit program encounters more than 100 errors. The report displays a count of the records completed before the program stopped.

②⑨ **TOTAL NUMBER OF HEADERS** – The total number of Header Records (H01) read. There must be one Header Record for each partnership or LLC. For multiple partnership or LLC files, there must be a Header Record at the beginning of each file. Processing stops when the edit program encounters more than 100 errors. The report displays a count of the Header Records with matching Detail and Trailer Records completed before the program stopped.

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## K-1 Edit Program Report

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|      ②③ **TOTAL NUMBER OF DETAILS** – The total number of partner or member Detail Records (D01) read. The number of detail records must match the number of Schedule K-1s (page 32, #10). There must be one Detail Record for each partner or member. Processing stops when the edit program encounters more than 100 errors. The report displays a count of the Header Records with matching Detail and Trailer Records completed before the program stopped.

②④ **TOTAL NUMBER OF TRAILERS** – The total number of Partnership or LLC Trailer Records (T01) read. For multiple partnership or LLC files, there must be a Trailer Record at the end of each file. Processing stops when the edit program encounters more than 100 errors. The report displays a count of the Partnership Trailer Records, with matching Header Records completed before the program stopped.

②⑤ **TOTAL NUMBER OF ERRORS** – The total number of errors found by the edit program. This number is never greater than 100. Detailed information for each error is found in the Error Detail Section of the report.

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## Commonly Found Errors

To locate errors, identify the **FEIN, Name, and Occurrence Number** of the error. Once you have located these identifiers, it will be much easier to recognize the error.  
**Note:** The same type of error often has multiple occurrences.

### **FILE TYPE**

We cannot pass data from files designated TEST to our mainframe for posting to an account. After you have successfully completed testing your program, be sure to change the File Type from “TEST” to “PROD.”

### **SEQUENCE NUMBER DOES NOT EQUAL NUMBER OF DETAIL RECORDS**

The Schedule Occurrence Number at the beginning of the Detail Record must be present and in ascending order beginning with 0000001. The last Schedule Occurrence Number equals the Number of K-1s for Fund (Field 0030) in the T01 record. In files that contain multiple partnerships or LLCs, reset the Occurrence Number to 0000001 for each partnership or LLC in the file.

### **PTNRS/MBRS ID INVALID, MUST BE NUMERIC, ‘APPLD FOR,’ ‘FOREIGNUS’**

Partner’s/Member’s ID Number (Field 0030) must have an entry (FEIN, SSN, Corporation number), the constant ‘APPLD FOR’, or the constant ‘FOREIGNUS.’

### **NAME FIELDS ARE ALL BLANK, NAME REQUIRED**

Partner’s/Member’s Name 1 (Field 0040) and Partnership’s/LLC’s Name 1 (Field 0130) must have an entry.

### **ADDRESS FIELDS ARE BLANK, ADDRESS IS REQUIRED**

Partner’s/Member’s Address 1 (Field 0070) and Partnership’s/LLC’s Address 1 (Field 0140) must have an entry.

### **STATE FIELD IS BLANK, STATE FIELD IS REQUIRED**

Partner’s/Member’s State (Field 0100) and Partnership’s/LLC’s State (Field 0155) must have a valid postal state abbreviation unless the address is a foreign address.

### **PARTNERS ENTITY TYPE NOT NUMERIC MUST BE ‘01’ THRU ‘10’**

Partner’s/Member’s Entity Type (Field 0210) must have an entry.

### **NON-NUMERIC VALUE IN NUMERIC FIELD**

If this error occurs on a percentage field (Fields 0230 through 0248):

- The field is blank: it must be a decimal format and zero filled (000.0000); or
- The field has an entry: it must be a decimal format (999.9999).

If this error occurs on an amount field:

- The field is blank: it must be zero filled (0000000000000); or
- The field has an entry: it must be in the following format (0000000002333).

## Example of K-1 Edit Report

		Franchise Tax Board Paperless Schedules K-1 System TY2004 K-1 Edit Report
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1	Transmitter FEIN	: 123456789
	Transmitter NAME	: SMITH TAX SERVICES
	Contact Person	: BOB SMITH
	Transmitter Phone	: 555 888-3333
	Input Dataset	: K1027A
2		
3	File Type	: PROD
4	File Passed/Failed	: Failed
5	Filing Period Begin	: 01/01/04
6	Filing Period End	: 12/31/04
7	Header FEIN	: 333333333
8	Header Name1	: GREEN AND BLUE COMPANY
	Header Name2	:
	Number of Sch K-1s	: 298
		-----ERROR DETAIL SECTION-----
9		
10	Header FEIN	: 333333333
11	Occurrence No	: 0000296
12	Detail ID	: 777777777
13	Detail Name1	: NAME OF THE PARTNER OR MEMBER
14	Field #/Name	: 0100 D01 STATE
15	Error Message	: State field is required with a valid postal abbreviation
	Field Value	: BLANK
	Header FEIN	: 333333333
	Occurrence No	: 0000761
	Detail ID	: 444444444
	Detail Name	: NAME OF THE PARTNER OR MEMBER
	Field #/Name	: 0895 D01 TAX EXMPT INT INC FED
	Error Message	: Percent field valid format is '999.9999'
	Field Value	: .0002290
16		
17	Total number of errors found	105 only first 100 printed
18	*****	RUN ABORTED MORE THAN 100 ERRORS FOUND*****
19		
20		-----END OF JOB REPORT-----
21		
22	Overall test results	: FAILED
23	Total number of Records	: 300
	Total number of Headers	: 1
	Total number of Details	: 298
	Total number of Trailers	: 1
	Total number of Errors	: 2